

EXHIBIT 55

JoelKatz

Posted December 1, 2017

Popular Post

...



Ripple Employee

884

On 11/30/2017 at 10:31 PM, FunkyGiraffe said:

My basic understanding is that a higher price for XRP would create more liquidity, less friction, and greater capacity in the network. I know using XRP = good, but can an expert please educate us technamologically speekin'?

A higher price tends to correlate with more liquidity. It's not really a direct cause and effect relationship, but they tend to move in tandem.

The ideal situation for Ripple would be an increasing price over the long term with few downward spikes. This would increase Ripple's value and revenue which not only makes Ripple's stockholders and Board of Directors happy but also increase Ripple's ability to deploy resources to incentivize partnerships and build the ecosystem.

This would also reduce the cost of holding XRP. If the upside is worth more than the downside, FIs can hold XRP and give someone else both the upside and the downside of the volatility, giving them zero holding cost. This could lead to tremendously increased demand if Ripple is successful in promoting XRP as a vehicle currency.

Imagine if XRP is an intermediary for payments in many different corridors and the cost of holding XRP is zero or negative. Now, companies like AirBNB, Uber, and Amazon can make international payments as follows:

- 1) They receive assets all over the world.
- 2) When people need to make payments into places where they have assets, they provide the fiat currency and take the XRP. This lets them buy XRP at zero or negative cost because they are being paid by whoever is making the payment.
- 3) When they need to make payments, they only have to do half the payment because they already hold XRP, the preferred intermediary payment. So they would only pay about half the normal cost.

This is kind of my dream scenario for XRP. Companies that have to make payments around the world buy XRP at below market by facilitating other people's payments and use their XRP to make payments at below market because they only have to pay for the "from XRP" half. All those piles of XRP people are holding increase demand, increasing price, reducing the holding cost of XRP to zero or negative.

You can also imagine traders doing the same thing. They hold piles of XRP because this lets them be opportunistic and take other assets that people are trying to make payments with since they'll need XRP to buy the asset they're trying to deliver.

Whether it will happen is, of course, certainly not guaranteed. But Ripple's preferred price of XRP is as high as possible, preferably increasing, so long as sharp and/or steep drops are minimized.

charmser, Mpolnet, Ripple-Stiltskin and 15 others

12

6